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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER

NGUYEN, CUONG H

ART UNIT PAPER NUMBER

2165

DATE MAILED: 11/27/2001

Please find below and/or attached an Office communication concerning this application or proceeding.

T.R

# Office Action Summary

Application No.  
09/182,279

Applicant(s)  
Coppersmith et al.

Examiner  
Cuong H. Nguyen

Art Unit  
2165



-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 7/30/2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-21 is/are pending in the application.
- 4a) Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-21 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claims \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are objected to by the Examiner.
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved.
- 12) ☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. § 119

- 13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).
- a) ☐ All b) ☐ Some\* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\*See the attached detailed Office action for a list of the certified copies not received.

- 14) ☒ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

## Attachment(s)

- 15) ☒ Notice of References Cited (PTO-892) 18) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 16) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 19) ☐ Notice of Informal Patent Application (PTO-152)
- 17) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s). \_\_\_\_\_ 20) ☐ Other: \_\_\_\_\_

#### DETAILED ACTION

1. This Office Action is the answer to the communication received on 7/30/2001, which paper has been placed of record in the file.
2. Claims 1-21 are pending in this application.

#### Response

3. Applicants' arguments received on 7/30/2001 have been fully considered; according to this justified argument, the examiner agrees to withdraw the FINAL OFFICE action issued on 2/28/2001. The examiner provides extra new prior art since he recognizes that those cited references are very obvious with what the applicants claimed (the examiner didn't provide "bad" references; one cited reference may be close to what claimed, and another cited reference is also close to that claim at different angle; it's called reasonable interpretation in examination to avoid future possible litigations). The applicants also argue that "claim 21 was directed to a second embodiment of the invention and (the examiner) agreed conduct a further search and issue a third non-final Action", the examiner presents herein extra rejection grounds for claims 1-21. This Office Action is made NON-FINAL.
4. The current examiner's supervisor, Ms. Wynn Coggins, can be reached on (703)308-1344. The applicants' representative was unsuccessful to have Mr. Millin's concern on this case because the examiner's supervisor has been changed.

7. Applicants' arguments received on 7/16/2001 have been fully considered but they are not persuasive with evidence for rejections on 35 USC 112, 2<sup>nd</sup> para.; and cited new evidences for rejections based on 35 USC 103(a), in these references, the motivations for detecting/ authenticating products have been disclosed ; (since some of these references have to be requested from Electronic Information Center, a Supplemental Office Action with copies of these references will be sent shortly with copies of these references):

- Lisa Troshinsky, GE CAPITAL AND GEMPLUS ANNOUNCE NORTH AMERICAN PARTNERSHIP, from Report on Smart Cards Newsletter, published on 4/28/1997 vol.11 issue 8, (in DialogClassic Web™ file 696); wherein electronic tags were sold by GEMPLUS due to a strategic interest between the manufacturing and service industries.

- From DialogClassic Web(TM) file 816, LEADING SMART CARD MANUFACTURERS ANNOUNCE FORMATION OF JAVA CARD FORUM, Canada Newswire, published on 2/12/1997; wherein GemPlus was recognized as a world leader in manufacturing electronic tags.

- From DialogClassic Web™ file 9, SMART CARD MISSIONARY GEMPLUS NOW JUST WANTS TO DO BUSINESS, from Computer Program International, n3176, published on 6/06/1997; wherein an innovation of Gemplus is disclosed: an electronic tag which use contactless smart card technology and are aimed at

replacing bar codes. A motivation is providing cost-effective electronic labeling.

- From DialogClassic Web™ file 9, International Company News: ICL targets Net copyright theft, from Financial Times London Edition, p23, published on 10/12/1995; wherein electronic tags are disclosed as: "The material will have electronic tags which can be detected if the information is passed on to unauthorized users".
- Woolley et al., US Pat. 5,804,810 issued on 9/08/1998 (filing on 6/26/1996) about communicating with electronic tags; it disclosed that "an object is monitored by attaching an electronic tag to an object/asset" (see the abstract) the terms "monitor an object by attaching an electronic tag on that object obviously comprise monitoring routing information, authentic information .etc.; this idea is used in the pending claims 1-21.
- Johnson, Jr., US Pat. 6,078,888 issued on 6/20/2000 about cryptography security for remote dispenser transactions; wherein electronic tags, authentication, and cryptography were applied in transactions.
- Coppersmith et al., US Pat. 6,069,955 issued on 5/30/2000 about a system for protection of goods against counterfeiting.
- Halperin et al., US Pat. 6,226,619 B1 issued on 5/01/2001 about a method and a system for preventing counterfeiting of high price wholesale and retail items.

- Ruppert et al., US Pat. 5,640,002 issued on 6/17/1997 about a portable RF ID tag and bar code reader.
- Woolley et al., US Pat. 5,804,810 issued on 9/08/1998 (filing on 6/26/1996) about communicating with electronic tags; it disclosed that "an object is monitored by attaching an electronic tag to that object/asset" (see the abstract); this idea is used in the pending claims 1-21.
- Woolley et al., (US Pat. 5,892,441 issued on 4/06/1999) about sensing with active electronic tags; it disclosed that "an object is monitored by attaching an electronic tag to that object/asset" (see the abstract); this idea is used in the pending claims 1-21.
- Woolley et al., (US Pat. 5,774,876 issued on 6/30/1998) about managing assets with active electronic tags; it disclosed that "an object is monitored by attaching an electronic tag to that object/asset" (see the abstract); this idea is used in the pending claims 1-21.
- Fox et al., (US Pat. 5,790,677 issued on 8/04/1998) about a system and a method for secure electronic commerce transactions; wherein claim's technique of encryption/decryption is disclosed.

6. During patent examination the pending claims must be interpreted as broadly as their terms reasonably allow. The reason is simply that during patent prosecution when claims can be amended, ambiguities should be recognized, scope and breadth of language explored, and clarification imposed. An essential purpose of patent examination is to

fashion claims that are precise, clear, correct, and unambiguous. Only in this way can uncertainties of claim scope be removed, as much as possible, during the administrative process.

7. In resolving the question of obviousness under 35 U.S.C. 103, PTO presumes full knowledge by the inventors of all the prior art in the field of their endeavor. However, with regard to prior art outside the field of this endeavor, PTO only presumes knowledge from those arts reasonably pertinent to the particular problem with which the inventors was involved. The determination that a reference in from a non-analogous art is therefore twofold. First, PTO decides if the reference is within the field of the inventors' endeavor. If it is not, we proceed to determine whether the reference is reasonably pertinent to the particular problem with which the inventor was involved, this is concerned to "verifying authenticity/detecting authentication of goods" which is clearly what cited references are disclosed; the motivations in these prior art are inherent in these prior art. In re Wood, 599 F.2d 1032, 202 USPQ 171, (CCPA 1979). The attorney would state a conclusion that these cited references do not disclose these limitations. Rule 37 CFR 1.111(b) requires that applicants MUST "distinctly and specifically point out errors" in the examiner action. Also, arguments of attorney cannot take the place of evidence (i.e., "the rejections were unclear"). In re Cole, 51 CCPA 919, 326 F.2d 769, 140 USPQ 230 (1964); In re

Schulze, 52 CCPA 1422, 346 F.2d 600, 145 USPQ 716 (1965);  
Meitzner v. Mindick, 549 F.2d 775, 193 USPQ 17 (CCPA 1977).

8. In re Sheckler, 168 USPQ 716 (CCPA 1971), the court ruled: While appellant urges that the rejection is sustainable only upon hindsight reconstruction of the prior art, we are not at all convinced that that is so. Like the board, we are persuaded that the differences in material or form between the subject matter claimed and prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art. It is, of course, not necessary that either Barnes or Dryden actually suggest, expressly or in so many words, the changes or possible improvements appellant has made. In re Rosselet, 52 CCPA 1533, 347 F.2d 847, 146 USPQ 183 (1965); In re Rauen, 53 CCPA 937, 356 F.2d 125, 148 USPQ 554 (1966). All that is required to show obviousness is that the applicants "make their claimed invention merely by applying knowledge clearly present in the prior art". Section 103 requires us to presume full knowledge by the inventors of the prior art in the field of his endeavor." In re Winslow, 53 CCPA 1574, 1578, 365 F.2d 1017, 10020, 151 USPQ 48, 50-51 (1966).

9. The provided evidences for "old concept" of using "smart-tag" read-on the claims' language presented by the applicants. (The court ruled that a rejection is reasonable if claims' language can be read-on by cited references and no reasonable distinguishing limitation has been made in

claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ 2d 1057 (Fed. Cir. 1993)).

10. Furthermore, this application currently names joint inventors. In considering patent ability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicants are advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at a time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103© and potential 35 U.S.C. 102 (f) or (g) prior art under 35 U.S.C. 103(a).

11. Upon searching, US Pat. 6,226,619 (SN.09/182,269) with priority date is 10/29/1998 by (Halperin, Moskowitz, Schrott, Tresser, and Von Guffeld) from IBM Corp. with the same breath and scope as this pending application (by Coppersmith, Greengard, Tresser, and Wu; priority date: 4/14/1998 from IBM Corp.); the examiner submits that the assignee (IBM Corp.) must define who is actually invent this particular subject matter for the purpose of 35 USC 102(e) evaluation.

*Claim Rejections - 35 USC § 112*

12. Claim 14 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. It is directed to "a system"; but in the body of this claim a functional limitation is described (i.e., the authentication information is erased from a memory after being read). (See *Ex parte Lyell*, 17 USPQ2d 1548; Furthermore, claims directed to a system must be distinguished from the prior art in terms of structure rather than function, see also *In re Danly*, 263 F.2d 844, 847, 120 USPQ 528, 531 (CCPA 1959). A claim containing a recitation with respect to the manner in which a claimed apparatus is intended to be employed does not differentiate the claimed apparatus from a prior art apparatus if the prior art apparatus teaches all the structural limitations of the claim (see *ex parte Masham*, 2 USPQ2d 1647 (Bd Pat. App. & Inter. 1987)). Thus, the functional limitation in claim 14 does not distinguish the claimed system from cited prior art. Indeed, this analogous limitation of "information is erased after being read" has been widely used in department stores or in public libraries (analogous act of de-magnetized ) before items are passing the store's exits).

*Claim Rejections - 35 USC § 102*

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

13. Claims 1-21 provisionally rejected under 35 U.S.C. 102(e) as being anticipated by copending Application No SN.09/182,269 (by Halpérin, Moskowitz, Schrott, Tresser, and Von Guffeld), which has a common assignee (IBM Corp.) with the instant application.

A. This provisional rejection under 35 U.S.C. 102(e) is based upon a presumption of future patenting of the copending application. Indeed, this copending application was issued in 5/01/2001 as US Pat. 6,226,619 B1.

B. This provisional rejection under 35 U.S.C. 102(e) might be overcome either by a showing under 37 CFR 1.132 that any invention disclosed but not claimed in the copending application was derived from the inventor of this application and is thus not the invention "by another," or by an appropriate showing under 37 CFR 1.131.

C. This rejection may not be overcome with the filing of a terminal disclaimer. See *In re Bartfeld*, 925 F.2d 1450, 17 USPQ2d 1885 (Fed. Cir. 1991).

D. The applied reference has a common subject matter with the instant application. Based upon the earlier effective

U.S. filing date of the reference, it constitutes prior art under 35 U.S.C. 102(e). This rejection under 35 U.S.C. 102(e) might be overcome either by a showing under 37 CFR 1.132 that any invention disclosed but not claimed in the reference was derived from the inventor of this application and is thus not the invention "by another," or by an appropriate showing under 37 CFR 1.131.

F. In re Hiniker Co., 47 USPQ2d 1523, 1529 (Fed. Cir. 1998), the court ruled: "The name of the game is the claim."

G. Although operational characteristics of a system may be apparent from the specification, we will not read such characteristics into the claims when they cannot be clearly connected to the structure recited in the claims. See In re Self, 671 F.2d 1344, 1348, 213 USPQ 1, 5 (CCPA 1982). When given their broadest reasonable interpretation, the claims on examination sweep in the prior art, and the prior art would have directed an artisan of ordinary skill to make the combination cited by the examiner. See also Giles

Sutherland Rich, Extend of Protection and Interpretation of Claims -- American Perspectives, 21 Int'l Rev. Indus. Prop. & Copyright L. 497, 499 (1990); ("The US is strictly an examination country and the main purpose of the examination, to which every application is subjected, is to try to make sure that what each claim defines is patentable. To coin a phrase, the name of the game is the claim").

14. The use of smart card/smart tags/electronic tags (in Metrorail systems) has been used, i.e., in reading the

information contained inside those cards/tags (an analogous action in claim 21 (although the use is not in a parallel market), routing information is merely specific data supplied from electronic tags that is obvious with this provided task of reading); from there, a purpose of protecting goods against counterfeiting is similarly applied.

15. In using these analogous applications, the examiner relies on *In re Oetiker*, 24 USPQ2d 1443, 1445 (Fed. Cir. 1992), a prior art reference is analogous if the reference is in the field of applicant's endeavor **or**, if not, the reference is reasonably pertinent to the particular problem with which the inventor was concerned; and in *Lamont v. Berquer*, 7 USPQ2d 1580 (BdPatApp&Int 1988), the court rules that section 103 requires us to presume that the artisan has full knowledge of the prior art in his field of endeavor and the ability to select and utilize knowledge from analogous arts.

16. Re. to claim 21: (broad, reasonably interpretation)

A method for detecting products in a parallel market, comprising:

- generating authentication information for a manufactured product including routing information for the product;
- encrypting said information; storing said encrypted information in tag;

- attaching said tag to product and manufactured product packaging;
- reading said encrypted information from said tag (at a point of sale); and
- decrypting said encrypted information (using a public key corresponding to said private key) to verify said routing information matches routing information of said point of sale to determine if said manufactured product is sold in a parallel market.

17. Claim 21 is broad in its preamble because it only claims an application in detecting counterfeit products in a parallel market. The only extra feature that is different from above claims 1-20 is: **verifying a routing information of said product** (in a parallel market) (other modified clauses for above step are obvious for one with skills in the art). Upon reviewing, above limitation is inherently suggest with Woolley et al. (electronic tags), GemPlus smart tags because these tags contain a memory; and routing information are merely "extra" data be written in a memory "chip".

It would have been obvious to one of ordinary skill in the art at the time of invention to implement Woolley et al. (US Pat. 5,804,810), GEMPLUS's system with a suggestion of Matyas et al. for verifying the authenticity/information of a product (this information may contain routing information), because these information/technologies are readily available at that time, and the verifying task would

be as a routine display that extra information on a cashier screen for that product. Therefore, claim 21 doesn't contain any inventive limitation.

18. Related Prior art for some limitations in claim 21:

- From DialogClassic Web™ file 9, D&G taking a bite out of bogus goods (Dolce & Gabbana clamps down on counterfeiters with project that feature invisible codes, holograms and identification kits for border police), Woman's Wear Daily, v174 n108, p24, published on 12/08/1997; wherein parallel market effects to sales of genuine goods because of discount through unofficial distribution channels.
- From DialogClassic Web™ file 9, Parallel lines, SPCO, Asia, n3, p21, published on 2/1997; wherein this article disclosed that counterfeit products are also entering the parallel market from China.
- Anita J. Slomski, Liquor marketing: importers see red over gray market, from Advertising Age, v57n40, pg. 19, published on 7/21/1986; wherein counterfeiting in parallel market purchasing is discussed (From DialogClassic Web™ file 15).
- From DialogClassic Web™ file 148, Facts, figures and images of the world, in Soap Perfumery & Cosmetics, v63 n12, p16(3), published 12/1990; wherein the growth of the parallel market, and the thread from counterfeit products are discussed.

- From DialogClassic Web™ file 160, Current news briefs, in Impact, pp.1-21, published on 12/15/1985; wherein thousands cases of liquor on the parallel market sale as examples of counterfeit products are discussed.
- From DialogClassic Web™ file 187, Counterfeit goods samples provided to mark holder by customs should be unaltered, The Rose Sheet, vol.14 issue 46, published on 11/15/1993.
- From DialogClassic Web™ file 248, DNA label markers by Anon, Package News, pg.28, published on 8/1996; wherein parallel market sale and counterfeit products are discussed.

#### Conclusion

19. Claims 1-21 are rejected.
20. These references are considered pertinent to applicants' disclosure:
  - US Pat. 6,226,619 (SN.09/182,269) with priority date is 10/29/1998 by (Halperin, Moskowitz, Schrott, Tresser, and Von Guffeld) from IBM Corp.
  - FUJI-KEIZAI USA, INC., "Top 40 high tech companies in Europe: GEMPLUS, FRANCE: Analysis of factors/strategies for company's success, future plans and business opportunities in this industry", published on July 1997; wherein "smart-tag" attached to merchandise was considered as a GEMPLUS product.
  - Edelstone et al., "Microchip Technology - Company Report" by PRUDENTIAL SECURITIES INC., published on 11/24/1995.

- "GEMPLUS announces integration of GemSAFE with IBM Smart Card Security Kit" from Business Wire, p.1323, published on 10/21/1998.

- "GEMPLUS to showcase GemSAFE Smart Card Security Solutions at RSA Conference." from Business Wire, p.1418, published on 1/14/1999.

- Reid, article title "Metrorail to take a high-tech trip with smart card" by the Washington Post, printed on 7/05/1998; it provides some background for using smart card/electronic tag.

21. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Cuong H. Nguyen, whose telephone number is (703)305-4553. The examiner can normally be reached on Monday-Friday from 7:00 AM-3:15 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Ms. Wynn Coggins, can be reached on (703)308-1344.

Any response to this action should be mailed to:

Amendments

Commissioner of Patents and Trademarks

c/o Technology Center 2100

Washington, D.C. 20231

or faxed to: (703) 308-9051, (for formal communications intended for entry)

Or: (703) 746-5572 (for informal or draft communications, please label "PROPOSED" or "DRAFT")

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Hand-delivered responses should be brought to Crystal Park II, 2121  
Crystal Drive, Arlington. VA., Sixth Floor (Receptionist).

Any inquiry of a general nature or relating to the  
status of this application should be directed to the Group  
receptionist whose telephone number is (703)305-3900.

*Cuong Nguyen*

Patent Examiner  
Sept. 28, 2001